Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

1. (Currently Amended) A system for verifying the purchase of a retail item by a customer comprising:

a label associated with the retail item, said label lacking a postpurchase machine-readable indicia;

a point of sale station having a point of sale encoding device, said encoding device providing a machine-readable post-purchase indicia associated with the label during purchase by the customer; and

a return station at a different location from a location of the point of sale station and having a detecting device for analyzing the label to determine whether the post-purchase machine-readable indicia is present.

- 2. (Original) The system of claim 1 wherein said post-purchase machine-readable indicia is machine readable only.
- 3. (Original) The system of claim 1 wherein said post-purchase machine-readable indicia is invisible.

- 4. (Original) The system of claim 1 wherein said post-purchase machine-readable indicia is visible when radiated with far-red, infrared or ultraviolet radiation.
- 5. (Original) The system of claim 1 wherein said encoding device provides said machine-readable indicia photochemically, thermalchromically, magnetically, electro-magnetically, optically, electro-optically, holographically, electrically or via radiofrequency.
- 6. (Original) The system of claim 1 wherein the composition of said label is selected from the group consisting of paper, plastic, photochromic material, thermachromic material, magnetic material, electrically conductive material, holographic material, a microprocessor, a microchip, or a memory chip.
- 7. (Original) The system of claim 1 wherein said label is comprised of a plurality of layers.
- 8. (Original) The system of claim 1 wherein said label is a bar code.
 - 9. (Original) The system of claim 1 wherein a refund for the

retail item is conditioned upon the detection of the post-purchase machinereadable indicia by the detecting device.

- 10. (Original) The system of claim 9 wherein said detector removes said machine-readable post-purchase indicia from said label after a refund is given to the customer.
- 11. (Original) The system of claim 1 wherein said machine-readable post-purchase indicia identifies the store where the retail item was sold.
- 12. (Original) The system of claim 1 wherein said machinereadable post-purchase indicia identifies the date and time of sale for the retail item.
- 13. (Original) The system of claim 1 wherein the machinereadable post-purchase indicia identifies the method of payment used to purchase the retail item.
- 14. (Currently Amended) A method for verifying the purchase of a retail item by a customer comprising:

providing a label associated with the retail item, said label lacking a machine-readable post-purchase indicia;

encoding a machine-readable post-purchase indicia associated with the label by a point of sale encoding device when the item is purchased by the customer; and <u>upon return of said retail item</u> analyzing said label with a detecting device to determine whether the machine-readable post-purchase indicia is present.

- 15. (Original) The method of claim 14 wherein a refund for the retail item is conditioned upon the detection of the post-purchase machine-readable indicia by the detecting device.
- 16. (Previously Presented) The method of claim 14 wherein the encoding of the post-purchase indicia produces an invisible post-purchase indicia.
- 17. (Previously Presented) The system of claim 1 wherein said encoding device provides the machine readable indicia when the label is scanned during purchase.
- 18. (Previously Presented) The system of claim 14 wherein the encoding is performed when the label is scanned during purchase.
- 19. (Previously Presented) The system of claim 1 wherein the post-purchase indicia is removable after the retail item is exchanged or

refunded.

- 20. (Previously Presented) The method of claim 14 wherein the post-purchase indicia is removable after the retail item is exchanged or refunded.
- 21. (New) The system of claim 5 wherein said encoding device is a radiofrequency encoding device.
- 22. (New) The system of claim 21 wherein the post-purchase machine-readable indicia of the label is detectable by radiofrequency.
- 23. (New) The system of claim 22 wherein the detecting device is a radiofrequency detecting device
- 24. (New) The system of claim 21 wherein said encoding device produces said post-purchase machine-readable indicia by radiofrequency.
- 25. (New) The system of claim 24 wherein said label comprises at least one of a semiconductor, a microprocessor, and a memory chip for storing said radiofrequency produced indicia.

- 26. (New) The system of claim 25 wherein said detecting device for analyzing the label to determine whether the post-purchase machine-readable indicia is present comprises a radiofrequency detector capable of detecting said radiofrequency indicia on said label.
- 27. (New) The system of claim 24 wherein the label comprises a plurality of layers to conceal the at least one of a semiconductor, a microprocessor, and a memory chip.
- 28. (New) The method of claim 14 wherein said encoding is done by radiofrequency.
- 29. (New) The method of claim 14 wherein said analyzing is done by radiofrequency.